

FISCAL NOTE

HB 2970 - SB 3240

February 28, 2006

SUMMARY OF BILL: Requires that child care providers receive advance notice before child care payments for an eligible child may be terminated.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$2,600,000

Assumptions:

- The Department of Human Services serves 45,000 children enrolled in child care. Approximately 2,000 of those children are moved each month. The Department estimates that 1,200 of the moved children will be moved out of necessity or emergency without the opportunity to provide notice of termination which will result in the Department paying two providers for child care. These payments will not be eligible for federal reimbursement.
- The average weekly child care rate is \$90. With the Department giving a two-week notice, there will be an increase of state expenditures totaling \$2,592,000 (1,200 children X \$180 X 12 months).
- An increase in expenditures of \$8,000 for the supplies and postage for sending 14,400 notices a year.
- The analysis, design and programming changes that are needed by the Department will be absorbed within existing resources.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director